

FISCAL NOTE

SB 1367 - HB 1077

April 9, 2001

SUMMARY OF BILL: Exempts retired law enforcement officers and all persons who served in and received an honorable discharge from the U.S. Armed Forces from paying the \$115 application and processing fee and the \$50 renewal fee for handgun carry permits.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - Exceeds \$150,000 Recurring
Forgo State Revenues - Exceeds \$1,000,000 First Year
Exceeds \$200,000 Second and Subsequent Years

Increase State Expenditures - \$480,000 First Year
\$96,000 Second and Subsequent Years

Estimate assumes:

- 10% of those currently possessing a handgun carry permit are retired law enforcement or armed forces veterans.
- the Department of Safety has issued approximately 123,000 handgun carry permits.
- there are approximately 495,000 veterans and 5,000 retired law enforcement officers in Tennessee.
- the background checks performed by the TBI on permit applicants cost \$48 each.
- an increase in expenditures of approximately \$480,000 for background checks based on an additional 10,000 affected individuals applying for handgun carry permits in the first year because of the fee exemption.
- an increase in expenditures in the second and subsequent years of \$96,000 annually for background checks based on an additional 2,000 affected individuals applying for handgun carry permits annually who would not have in the absence of the bill.
- forgone revenues exceeding \$1,000,000 in the first year and exceeding \$200,000 in the second and subsequent years from the additional applicants being exempt from the \$115 application and processing fee.
- a decrease in state revenues exceeding \$150,000 based on over 3,000 renewals annually that will not be required to pay the \$50 fee.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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